This caused overcrowding in the cities and a declining rural population. The population of the Tokyo, Kinki, and Tokai regions arose from 39 percent of the national total in 1960, to 46 percent in 1970, and 48 percent in 1980.

However, the rise of urban population began to slow somewhat from 1965 to 1970 as large cities reached their saturation point and residents began to move to less crowded surrounding areas. After 1970, spurred by the shrinkage gap in income levels and job opportunities between regional and urban cities and the better quality of living offered by smaller cities, young people of the postwar baby "bulge" began moving back to regional areas.

This trend toward the stabilization of population growth in large metropolitan areas and the increase in population in regional cities is expected to accelerate in the 1980s.

Industrial activity is as concentrated as population. In 1977, 71 percent of total purchases of industrial materials were concentrated in the densely populated, highly developed Pacific belt. In 1979, the belt accounted for 67 percent of the country's industrial production by value.

The Japanese government has encouraged the regional dispersal of industry and the creation of new industrial cities. Japan's Ministry of International Trade, or MITI, is developing plans for 16 regional technopolises where the employees of high-technology industries and research laboratories will live and work.

Kyushu, Japan's southern-most major island, is being promoted as Japan's answer to the U.S. Sun Belt. Kyushu already produces 35 percent of Japan's semiconductor output by volume and 24 percent by value.

MITI's current campaign is aimed at foreign firms as well. Fairchild Industries, Inc., recently announced plans to build a semiconductor factory in Kyushu's Nagasaki prefecture.

Households

The Japanese census divides households into two types, ordinary households and quasi-households. An ordinary household is a group of persons sharing living quarters and living expenses. A person who lives by himself is also considered an ordinary household.

A quasi-household is a person or a group of persons living in boarding houses, company dormitories, or rented rooms. Students in dormitories, inpatients in hospitals, inmates in social institutions, and persons in the Self Defense Forces camps are also quasi-households.

Ordinary households can be relative households, non-relative households, and one-person households. Relative households consist of the nuclear family and other relatives. Non-relative households are those containing a head of household and unrelated people.

There are about 35 million households in Japan at present, compared with 82 million in the U.S. The number of households has been growing at a faster rate than the total population just as in the U.S. The result is that the average number of persons per household has declined from 4.54 in 1960 to 3.33 in 1980. By 1985 there should be about 39 million Japanese households.

The trend toward the formation of nuclear families is directly related to the increase in the number of households. The size of urban families has declined as a result of children setting up separate households apart from their parents after marriage. The structure of the Japanese family has changed from a direct-lineage system to a one-married-couple system based on the nuclear family.

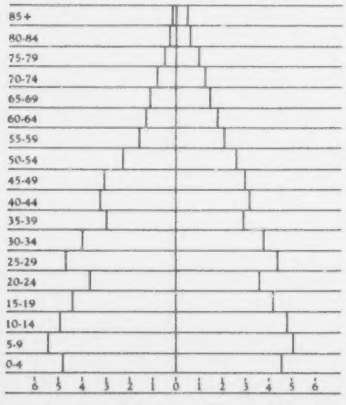
Housing

Japanese housing is small by international standards, averaging about 750 square feet. Japanese spend more time commuting to and from work and live in homes that offer considerably less space and comfort than their Western counterparts. It is not at all unusual for a worker in Tokyo to commute three or four hours a day on packed subways and trains. The often cited, yet hard-to-believe, instances of subway and train engineers pushing commuters onto seemingly stuffed cars attest to the daily trials of the Japanese employee.

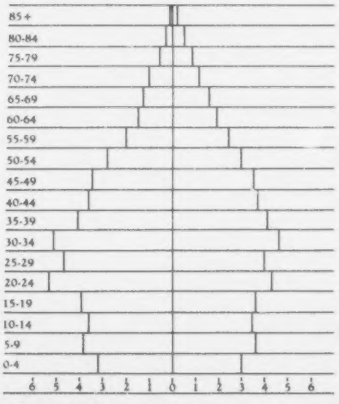
About 60 percent of Japanese households own their own home. Japan's high level of housing starts (relative to the total housing stock and number of households) indicates the desire on the part of most Japanese to buy a home. Japan's new housing starts have averaged about 1.5 million annually in recent years. There were 2 million housing starts in the U.S. during a comparable period.

The cost of buying a house has skyrocketed in Japan, fueled by inflation and soaring land prices. Although the availability of home financing has increased, most workers find it extremely difficult to buy a

Population of Okinawa Perfecture by Age and Sex, 1980 *(in percent)*



Population of the City of Tokyo by Age and Sex, 1980 *(in percent)*



These population pyramids for the city of Tokyo and the prefecture of Okinawa illustrate the differing age distribution patterns of Japan. The best market, depending on the target age group, may be where you would least expect it.

new home. The average home in an urban area cost the equivalent of about $82,000.

The high cost of housing strongly influences overall consumption patterns in Japan. Those who cannot obtain housing at reasonable prices often opt to make their lives more enjoyable by buying luxury items and pursuing leisure activities outside the home. Others place greater emphasis on improving the size, fixtures, and furnishings of their current residence. Between 1972 and 1978, expenditures on home furnishings more than doubled.

JETRO predicts that the demand for furniture and home appliances will continue to increase. It warns importers, however, to design compact versions of Western products that fit the space limitations of the Japanese home. An American professor teaching at a Japanese university bought Western-style furniture in a Japanese department store to use during his visit. On his return to the U.S. he shipped the furniture home only to find them ridiculously dwarfed in a full-sized Western room. The reverse most certainly would be true.

The underlying influence in Japanese home construction and design is the use of the *tatami* (woven straw mat). Mats come in one basic size and determine the size and shape of Japanese rooms. The six-mat room is the most common size. A tatami is about 90 by 180 centimeters (about three by six feet).

A popular layout for an urban apartment is the combination of a six-mat and a 4.5-mat room. Although these quarters seem incredibly cramped, bedding can be stored in closets making it possible to use both rooms for a variety of purposes.

A more recent trend in urban housing is the combination of Western-style rooms and tatami rooms. Several Western-style rooms with hardwood floors or carpets and one six- to eight-mat tatami room is a common layout.

Education

In a society that often is characterized as a *gakureki shakai*, or a system in which a person's formal education determines the limits of his or her social and occupational status, the growth in the pursuit of education in Japan comes as no surprise. Japanese housewives, often called *kyoiku mama*, or education mamas, are notorious for driving their children to succeed in school.

No wonder then that between 1975 and 1978 household expenditures on education increased by more than 52 percent. Some of this increase was due to the rising cost of higher education, but it also points to the increased interest in and money spent on lifelong education as well. Expenditures on supplementary education in this time period rose almost 80 percent.

Japan is second only to the U.S. in the number of students receiving higher education. Over 94 percent of Japanese students go on to a high school education. Of them, about 40 percent enter college. There are over 960 universities and colleges (including junior colleges) in Japan.

In a Ministry of Education survey, 80 percent of high school graduates and 87 percent of college graduates said that they felt the need to continue their education. Figures from the 1980 census show that 50 percent of females and 52 percent of males over the age of 15 had completed high school or above. About 14 percent of the total population over age 15 were educated beyond high school.

The Japanese study English for an average of six years and many consider its mastery an essential tool for climbing up the corporate ladder. The dreaded college entrance exams abound with English language technicalities that confound even the most learned native speakers of English. Imported English-teaching materials have a high marketing potential as do instructional toys and toys with an educational content.

Labor Force

In recent years Japan has faced a rapidly aging work force as the postwar baby boom generation moves upward into middle age and the large percentage of the population in the middle-age groups enter old age. The number of people in the productive years between 15 and 64 jumped from 50 million in 1950 to 79 million in 1980 as the baby bulge population reached maturity. However, the working population increased only 13 million from 44 million in 1960 to 57 million in 1980, as a greater percentage of young people pursued higher education.

Fifteen years ago, 30 percent of males and 25 percent of females were in school. Today, more than half of the males and nearly half of the females in the same age group are in school.

Primary industries employ 11 percent of Japan's working population; secondary industries account for 34 percent; and tertiary industries for more than 50 percent.

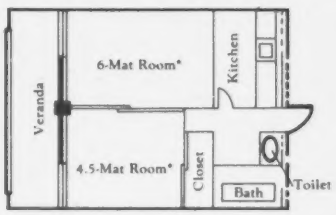
Before the oil crisis of the early 1970s, the number of working women steadily increased. Since 1973, the trend has shifted to decreasing numbers of working women. At present, women constitute 35 percent of the total employed population.

There are marked differences between female and male workers. The average wage for women is only 56 percent of that for men, and the average length of employment is only half of men's, about six years.

One-third of workers in Japan are temporaries or part-timers. Many students work their way through school or pay for their vacations and clothes by getting an *arbaito*, or part-time job. Arbaito are so popular that there are employment agencies and a weekly magazine solely dedicated to their listing and dispersal.

Housewives and retirees derive supplemental income from part-time work. It is not uncommon for the wives of company employees to deliver yogurt door to door by bicycle or even business documents from company to company to make some

A Japanese-Style Apartment



*One mat equals 3'x6'
Source: The Japanese Consumer, Jetro Marketing Series 6.

extra pocket money in their otherwise idle hours.

Many firms have opted to reduce operating costs by hiring part-time workers because they can be paid on an hourly basis and receive no fringe benefits.

Income

Prior to 1973, when the oil crisis slowed Japan's economic growth, the annual real growth in consumer income averaged more than 10 percent. Since 1973, real growth in income has slowed to an average of just 0.7 percent annually.

The average annual per capita income of the Japanese in 1980 was $9,890 compared with $11,360 in the U.S.

Japan's savings rate is about 20 percent, which is one of the world's highest. Ninety-five percent of households have a savings account; 90 percent have a life insurance policy. The lifetime commitment necessary to purchase a home and the Japanese household's dedication to educating their young account for the high rate of savings in Japan.

Japan's seniority wage and bonus system greatly affects consumption patterns and has important implications for foreign firms who export goods to Japan. Employee income rises with age and reaches a peak just before retirement at age 55 to 60. Bonuses are paid twice yearly, one in mid-June and one in mid-December. It is no coincidence that these dates overlap with the major gift giving seasons in Japan.

Gifts usually are given to persons to whom the family owes a debt of gratitude or to whom the family is obliged in some way. Since these gifts are not supposed to be personal in nature, practical domestic articles such as soaps, towels, and even fancy packages of salad oil or monosodium glutamate often are exchanged. The gift usually is one that can be used up quickly, thereby diminishing the recipient's need to reciprocate.

Imported foods and alcoholic beverages, especially those packaged according to Japanese practices, are popular gift items bought at bonus time.

A year's bonus usually is between two and six months of an employee's salary. The bonus actually acts as a kind of forced savings. On the average, 53 percent of the bonus is added to savings, while 39 percent is spent on repayment of debt, vacations and leisure, and major purchases of durable goods.

Consumption and Leisure

Japan is one of the world's largest consumer markets. Growth in consumer expenditures has been rapid, averaging about 16 percent annually between 1973 and 1977. Consumption is expected to continue to grow at an average yearly rate of 5 to 6 percent.

The Japanese household spends about $10,000 to $12,000 annually on consumption.

The largest increases in total percentage of household consumption has been in leisure and discretionary items for the home. Housing takes up about 15 percent of the Japanese consumer's budget. The growing trend toward home improvement and the relatively high rate of new housing starts accounts for this rise.

Ninety-seven percent of Japanese households own color televisions, washing machines, and refrigerators. Japan's orientation toward energy efficiency is reflected in the relatively low ownership rates for cars, air conditioners, and central heating. Although the rate of ownership of consumer durables is high, replacement demand for appliances, especially the more energy-efficient and personalized models, offers a promising opportunity for imported products.

Two clear trends have emerged in consumer durable sales. One, toward the purchase of smaller, more personal units, reflects the rise in *maihomushugi* ("my-home-ism"), an expression of personal over group-oriented ownership. The

continued

MY-HOME-ISM

Jibun ga nai, or "life without a self," is a commonly used Japanese expression that graphically illustrates the state of personal identity in Japanese culture. The de-emphasis of the individual in favor of the group is deeply rooted in Japanese culture.

However, with the disintegration of tight-knit communal society and the rise of mass culture, a new Japanese individual is emerging—one who is more concerned with individual happiness. Many young people want a life of their own outside the group.

Maihomushugi, or "my-home-ism" reflects the increasing concern on the part of the Japanese for one's own self and family first. Advertisements boast *mai-kaa* (my car), *mai-homu* (my home), even *mai-pesu* (my pace). The consumption of personally-oriented items is on the rise with smaller, more personal units becoming increasingly popular.

Sales of smaller, portable televisions, for example, are increasing as more people opt for personal-sized rather than household-sized units. The shift to Western-style housing with separate rooms for each individual and away from traditional Japanese residences with one large room broken up by sliding paper doors and the move from an extended family system to a nuclear one account for this trend.

The use of credit also is expanding and many major department stores, especially those with primarily young clientele, have introduced credit cards and installment financing. Whether this trend toward the immediate satisfaction of desire rather than planning for the future will supercede traditional attitudes of frugality and self-sacrifice no one is quite sure.

What is sure however is that traditional beliefs in harmony, uniformity, and the precedence of the group are being altered, if ever slightly, by the rise of a new concept in the Japanese psyche — the concept of myself.

—Denise Rusoff

Japan: Prefectures and Cities of 500,000 or More

Source: 1980 Population Census of Japan, Vol. 2, Part 1, Statistics Bureau, Prime Minister's Office

ID Number	Prefecture	Total Pop.	Males	Females	Percent under 15 Years Old	Percent 15-64	Number of Households	Average Household Size
01	Hokkaido	5,575,989	2,737,089	2,838,900	23.3	68.6	1,734,306	3.09
02	Aomori-ken	1,523,907	735,444	788,463	24.0	67.1	411,270	3.60
03	Iwate-ken	1,421,927	688,460	733,467	22.9	67.0	380,149	3.64
04	Miyagi-ken	2,082,320	1,025,903	1,056,417	23.1	68.2	568,993	3.56
05	Akita-ken	1,256,745	603,403	653,342	20.9	68.5	330,888	3.71
06	Yamagata-ken	1,251,917	605,407	646,510	21.0	67.3	313,846	3.91
07	Fukushima-ken	2,035,272	990,575	1,044,697	22.9	66.6	528,659	3.76
08	Ibaraki-ken	2,558,007	1,272,533	1,285,474	24.6	66.2	663,128	3.77
09	Tochigi-ken	1,792,201	885,573	906,628	24.2	66.5	468,218	3.74
10	Gumma-ken	1,848,562	908,871	939,691	23.9	66.2	495,345	3.65
11	Saitama-ken	5,420,480	2,739,175	2,681,305	26.9	66.9	1,509,558	3.51
12	Chiba-ken	4,735,424	2,383,157	2,352,267	25.9	67.1	1,316,140	3.45
13	Tokyo-to	11,618,281	5,856,280	5,762,001	20.6	71.5	4,001,163	2.78
14	Kanagawa-ken	6,924,348	3,536,021	3,388,327	24.6	68.9	2,076,479	3.21
15	Nigata-ken	2,451,357	1,193,653	1,257,704	22.5	66.3	633,675	3.79
16	Toyama-ken	1,103,459	532,686	570,773	22.7	66.2	280,570	3.85
17	Ishikawa-ken	1,119,304	542,782	576,522	23.8	65.7	304,905	3.56
18	Fukui-ken	794,354	384,269	410,085	22.8	65.6	205,206	3.78
19	Yamanashi-ken	804,256	391,649	412,607	22.7	65.7	221,870	3.54
20	Nagano-ken	2,083,934	1,008,885	1,075,049	22.5	65.4	566,019	3.59
21	Gifu-ken	1,960,107	954,018	1,006,089	24.0	66.3	513,136	3.73
22	Shizuoka-ken	3,446,804	1,695,778	1,751,026	24.2	66.8	920,750	3.64
23	Aichi-ken	6,221,638	3,112,306	3,109,332	25.0	67.5	1,726,319	3.48
24	Mie-ken	1,686,936	817,578	869,358	22.9	66.0	456,175	3.60
25	Shiga-ken	1,079,898	529,208	550,690	24.6	65.4	277,053	3.80
26	Kyoto-fu	2,527,330	1,238,365	1,288,965	22.8	67.0	768,881	3.16
27	Osaka-fu	8,473,446	4,203,838	4,269,608	24.4	68.3	2,597,249	3.16
28	Hyogo-ken	5,144,892	2,512,358	2,632,534	23.9	66.8	1,501,514	3.33
29	Nara-ken	1,209,365	587,067	622,298	24.1	66.5	323,146	3.62
30	Wakayama-ken	1,087,012	523,467	563,545	22.4	65.7	316,139	3.35
31	Tottori-ken	604,221	289,946	314,275	21.6	66.0	163,435	3.60
32	Shimane-ken	784,795	377,499	407,296	21.3	65.0	216,960	3.51
33	Okayama-ken	1,871,023	905,477	965,546	22.7	65.4	532,373	3.41
34	Hiroshima-ken	2,739,161	1,336,806	1,402,355	23.6	66.1	830,037	3.19
35	Yamaguchi-ken	1,587,079	759,255	827,824	22.3	66.0	477,955	3.22
36	Tokushima-ken	825,261	395,994	429,267	21.2	66.7	233,286	3.43
37	Kagawa-ken	999,864	481,104	518,760	22.2	65.8	283,926	3.42
38	Ehime-ken	1,506,637	718,517	788,120	22.7	65.7	453,732	3.23
39	Kochi-ken	831,275	396,418	434,857	20.9	65.9	265,495	3.01
40	Fukuoka-ken	4,553,461	2,200,450	2,353,011	23.1	67.5	1,359,924	3.23
41	Saga-ken	865,574	410,912	454,662	23.2	65.0	224,223	3.75
42	Nagasaki-ken	1,590,564	758,374	832,190	24.2	65.1	449,888	3.41
43	Kumamoto-ken	1,790,327	850,831	939,496	22.1	66.2	501,342	3.45
44	Oita-ken	1,228,913	583,097	645,816	22.5	65.8	362,284	3.28
45	Miyazaki-ken	1,151,587	550,207	601,380	23.8	65.7	345,150	3.23
46	Kagoshima-ken	1,784,623	839,392	945,231	22.4	64.9	585,576	2.94
47	Okinawa-ken	1,106,559	543,692	562,867	29.4	62.7	291,714	3.72
	City							
01 100	Sapporo-shi	1,401,757	691,057	710,700	23.1	70.6	477,227	2.82
04 201	Sendai-shi	664,868	330,698	334,170	22.8	70.5	217,289	2.91
12 201	Chiba-shi	746,430	376,861	369,569	27.7	67.1	221,853	3.26
13 100	Ku-area	8,351,893	4,189,836	4,162,057	19.2	72.4	2,988,461	2.68
14 100	Yokohama-shi	2,773,674	1,417,015	1,356,659	24.0	69.6	846,115	3.16
14 130	Kawasaki-shi	1,040,802	543,269	497,533	22.9	71.4	337,283	2.94
23 100	Nagoya-shi	2,087,902	1,045,892	1,042,010	22.6	69.7	651,505	3.09
26 100	Kyoto-shi	1,473,065	721,402	751,663	21.0	68.6	478,472	2.93
27 100	Osaka-shi	2,648,180	1,304,599	1,343,581	20.5	70.2	877,967	2.92
27 201	Sakai-shi	810,106	401,887	408,219	26.7	67.1	239,573	3.29
27 227	Higashiosaka-shi	521,558	261,810	259,748	24.4	68.3	161,302	3.14
28 100	Kobe-shi	1,367,390	665,029	702,361	22.5	68.1	432,502	3.04
28 202	Amagasaki-shi	523,650	260,694	262,956	23.5	68.9	166,921	3.05
33 201	Okayama-shi	545,765	264,648	281,117	23.0	67.2	168,230	3.12
34 100	Hiroshima-shi	899,399	442,840	456,559	24.2	68.3	292,130	2.95
40 100	Kitakyushu-shi	1,065,078	514,167	550,911	23.1	68.2	332,023	3.09
40 130	Fukuoka-shi	1,088,588	536,765	551,823	23.2	69.7	365,079	2.84
43 201	Kumamoto-shi	525,662	251,011	274,651	22.5	68.7	165,974	3.00
46 201	Kagoshima-shi	505,360	240,143	265,217	23.9	68.3	167,461	2.87

other is toward the purchase of larger units or units with more sophisticated features. Despite a slowed rate of market expansion since the 1973 oil crisis, the changes taking place in the Japanese lifestyle and the ample size of the Japanese market promise an exciting market for exporters. Rapidly changing tastes should stimulate the demand for new products and services.

Although from 1972 to 1978 the percentage of the total budget for clothing expenditures fell, there has been a shift toward more fashionable Western-style clothes.

The decline in hours worked, from 47 hours a week in 1960 to 41 hours in 1978, has greatly contributed to the high rate of increase in expenditure on leisure pursuits. Purchases of books and magazines, for example, rose almost 90 percent between 1975 and 1978. Sales of casual wear and sportswear also grew rapidly.

The most common leisure pursuit during the week is watching TV or listening to the radio, followed by reading the newspaper. During weekends or vacations, the most common pursuit is traveling in Japan with one or more overnight stays.

Sources of Information

The Japanese statistical system is among the best in the world. Population censuses are taken every five years and many statistics are updated monthly.

The best place to obtain demographic information is from the Statistics Bureau, Prime Minister's Office. The census covers a broad range of items, offering demographic data on age and sex distribution for all cities over 500,000 and all prefectures (equivalent of states), marital status, education, occupation, employment status and type of dwelling.

The First Basic Complete Tabulation (Vol. 2, Part I) is the most complete and useful volume now available. It costs 6,000 yen, plus 1,630 yen for postage and handling charge. There also is an additional 750 yen for banker's exchange charges if you pay in yen and 1,350 yen for exchange charges if you pay in dollars or other currency. Including postage and exchange charges, the basic population volume costs about $35.

The best way to make sure you are sending the correct amount is to place your order and let the publications office figure charges. The publications are not sent, however, until the invoice has been paid.

The Second Basic Complete Tabulation (Vol. 3) is scheduled to be released in March 1983. It will include data on household composition such as households of the aged, and mother-child households.

Volume 5 on commuting to work or school by sex, age, and industry, was released in June, 1982.

Volume 6 includes information on internal migration and will be released by June, 1983.

Also available are detailed population maps and analytical studies.

All the volumes listed above can be ordered from: Government Publications Service Center, 2-1, 1-chome, Kasumigaseki, Chiyoda-ku, Tokyo, Japan.

The Government Publications Service Center also puts out a catalog which lists periodicals and annuals as well as selected publications from many departments of the Japanese government.

Among them are publications of the Ministry of International Trade and Industry on such subjects as the distribution system in Japan, robots in the Japanese economy, and the Standard Trade Index of Japan.

The Japanese External Trade Organization (JETRO) has a marketing series that includes such topics as the Japanese consumer, and Japan's import and marketing regulations, (500 yen each). Books include *The Japanese Home in Transition* (1500 yen), *Promotion of Small and Medium Enterprises in Japan* (1500 yen), and *The Female Factor in Japan's Import Market* (1000 yen) are among other publications from JETRO.

The Japanese government publishes monthly updates on economic statistics, price indexes, family income and expenditure survey, price of consumer goods and services, labor force, industrial statistics, and monthly statistics of agriculture forestry and fisheries.

The monthly statistical publications have English subtitles and some English summaries; of course, the numbers are the same in either language so that once you have cracked the code, the publications are not difficult to use. •

—Denise Rusoff

Denise Rusoff is the former senior editor of PHP, a Japanese general interest magazine, printed in three languages. She is now vice president of Translations Nippon.

Baby Boom*/con't from p. 3*

middle-age market in coming years. The first is the growth of their incomes. The percentage of women in this generation who earn an income is higher than for all generations and is rising rapidly. In addition, the contribution of women to household income is highest for those in their 30s. As women in this age group finish rearing their children, opportunities to return to work are expected to increase. For that reason, two-income families are expected to become much more common.

The second reason is that the drive to consume appears high. According to a survey conducted by the Prime Minister's Office in 1979, the principal reason women gave for taking jobs was "to achieve a more affluent lifestyle." This response was given by 54 percent of the women surveyed. By contrast, only 8 percent indicated they were working to maintain their present lifestyles.

The third reason is that women want to fulfill themselves outside of the home through community activities, cultural pursuits, sports and the like.

Table II: Forecast of Middle-age Market

		Population (Million)	*Number of Household (Million)*	*Consumption (1,000,000 million yen)*
Middle-age groups (40 to 54)	1980	23.56 (20.2)	12.5 (36.5)	40.5 (41.6)
	1990	27.77 (22.0)	14.36 (38.9)	109.8 (44.3)
Total	1980	116.92	34.08	97.4
	1990	126.28	36.91	247.8

Note: Figures in parentheses are percentages

Junior Bulge Generation

The junior bulge generation will move through the teenage years in the 1980s. As this generation approaches the age where people incur such major expenditures as a college education, they will increase the spending of their middle-aged parents.

The amount of consumer finance provided in 1980 was about three times that provided in 1973. That increase occurred against a backdrop of slower growth in incomes following the first oil crisis. Younger people, including the bulge generation, have been major supporters of the consumer finance market.

In the coming years, the following factors are expected to help expand the consumer finance market.

—The loan requirements of the bulge generation will rise during middle age.

—This generation's ability to borrow will increase as social position and incomes rise.

—Finance as a sales tool will become increasingly common.

—Financial institutions are expected to increase loans to individuals.

One point of particular interest will be loans to women. The percentage of consumer loans to women already has risen from 8 percent in 1976 to 28 percent in 1980 and is continuing to rise, according to the Japan Consumer Finance Association. This trend should grow as more women take jobs and establish a credit history, thus contributing to their ability to borrow.

Regional Markets

The movement of young people back to regional areas began with the bulge generation after 1970. As these young people moved to the regional areas, they contributed to the elimination of the gap in incomes and information between large cities and regional cities. They also have contributed to greater homogeneity in lifestyles among the major cities. Consumer spending in the regional cities where members of the bulge generation live is expected to grow at a relatively faster rate than in the past.

The so-called bulge generation is expected to become the center of social and economic development as its members enter middle age. As a result, the group's influence is likely to be even greater than in the past.

Japan's future growth is likely to be increasingly dependent on consumer spending. •

—The Research Department
Sanwa Bank, Ltd

This article orginally appeared in Tradepia International, Spring 1982, a publication of Nissho Iwai Corporation. It is excerpted with permission. Subscriptions can be ordered from Tradepia International, 153 E. 57th St., New York, NY 10022, $10/4 issues.

Publications

World Development Report, 1982, Washington, DC: The World Bank, 171 pp. including tables, available from Oxford University Press Inc., 200 Madison Avenue, NY, NY 10016. $8 paper, $20 cloth.

The economies of middle-income countries (those with a 1980 GNP per capita of $410 or more annually) should continue growing faster than those of the industrial countries, according to this recently released annual report from The World Bank.

The middle income economies include 63 countries such as Thailand, Philippines, Peru, Morocco, Brazil, Mexico, Turkey, Singapore, and Venezuela.

Although progress has been made in the past 30 years in improving the quality of life and establishing conditions for pre-development in many South Asian and Latin American countries, conditions in sub-Saharan African countries remain a matter of concern, the report says.

Continuing rapid population growth in most countries will limit the rate of increase in per capita food consumption and will require even greater rates of increase in agricultural productivity, according to the report.

The annual World Bank Development Reports are an inexpensive and useful source of demographic information including the latest estimates of GNP per capita for all countries, past and projected population growth, fertility and labor force statistics, data on urbanization, health, education, and income distribution.

A host of tables of economic indicators are also included.

The Demographic Characteristics of Household Populations, by Mohammad Kabir, 1982, Voorburg, Netherlands: International Statistical Institute, 63 pp. including tables.

Households containing no married couples are common in Colombia, Costa Rica, Panama, Peru, and the Dominican Republic, while households with two married couples are common in Pakistan, Nepal, Malaysia, Bangladesh, Fiji, and Thailand.

The household is the basic economic unit for many marketing strategies.

This study, part of a series of Cross National Summaries, comes from information gathered as part of the World Fertility Survey, and provides summaries on household characteristics for 17 developing countries, six in Latin America and 11 in Asia and the Pacific.

The summary tables include information on the age distribution of household heads, as well as their educational attainment and marital status. Also included is information on household size, and the distribution of generations.

The pamphlet can be ordered from Publications Office, International Statistical Institute, 428 Prinses Beatrixlaan, P.O. Box 950, 2270 AZ Voorburg, Netherlands. •

Sources
The World Bank

Although only one of its employees bears the title of demographer, the World Bank still is an important source of international demographic data. Officially known as the International Bank for Reconstruction and Development, the bank produces a narrow range of statistics—primarily numbers for total population. But these data are good because the bank combines superb channels of information with independence from the countries on which it reports.

Each year the Research and Policy Division of the Population, Health, and Nutrition Department provides demographic statistics for the Bank's regular country economic reports. The economist responsible for the country works with the Division to produce these numbers, using information from the United Nations and the U.S. Census Bureau, or obtaining census volumes or vital statistics reports from the country concerned. If data from the standard sources are unavailable, the bank tries to find a substitute.

"Nowadays," says K. C. Zachariah, the bank's senior demographer (there is no junior demographer but there are others trained in demographics in the division), "many more surveys are being taken." This is helpful even in countries that have reliable census data, he said, because census data age, and surveys are useful for updating them.

If either the country specialist or the policy and research analyst decides the available numbers are unacceptable, the bank goes to the source. A staff member or consultant investigates the way the data were collected and produced, checking possible sources of inaccuracy like the response rate or the geographic coverage. If the data prove deficient, the bank compensates by using indirect estimating techniques.

Since the bank's economists generally visit the countries it lends money to several times a year—the bank mantains six or seven economists in India alone and has a permanent office in Delhi—it can take a more active and continuous role in collecting data than the United Nations can. The U.N. gets its annual population information by means of a questionnaire it sends each government. The U.N. also is under some constraints to agree with the numbers that governments send it. But the bank, as lender, stands in a different relationship. Zachariah says it is up to the government that disagrees with the bank's population estimates to persuade the bank that it is wrong.

The economic reports the bank produces for individual countries are not available to the public. The population estimates that are developed for them, along with the associated national income measures, are printed in the *World Bank Atlas*, which appears each year in March. (The current edition costs $2.50 prepaid; order from the Publications Distribution Unit, P.O. Box 37525, Washington, DC 20013.) This publication contains population estimates, GNP per capita, and recent growth rates for most of the world's countries.

Projections

Although the bank often adopts the population estimates of the United Nations or the U.S. Census Bureau, it makes its own population projections for all the countries of the world each year. The other agencies use the latest census as the base year for their projections, but the bank prefers to have the same base year for all countries. Generally, the bank starts with United Nations data, examines them for consistency, and adjusts them in the light of the bank's close knowledge of individual countries.

The results of the most recent projections are summarized in the Bank's annual publication *World Development Report*. The detailed projections can be requested from the Policy and Research Division, which developed them.

They estimate that the less developed countries' share of the world's population will increase from 74 percent in 1980 to 79 percent by 2000, and that when all the countries of the world achieve a stationary population, sometime in the first half of the 21st century, there will be 10.4 billion people. India and China will have more than a billion each, and Nigeria will be the third largest country, with half a billion people. More countries, including the USA and USSR, will have more than 100 million people: 9 countries in Asia, 7 in Africa, and 2 in Latin America.

Since economic development is related to population trends, bank staffers and consultants continually research such demographic topics as fertility, migration, and labor force trends in particular countries. These studies often involve the bank in conducting detailed surveys, whose results can be useful to people or organizations that have interests in that country. The reports that are publicly available are described in *World Bank Research Program: Abstracts of Current Studies*, which can be ordered for free from the Publications Unit.

Current research and research just completed is described in "World Bank Research News," which the bank publishes three times a year. Subscriptions are free to "institutions and individuals with a professional interest in development." To prove that you qualify for this offer you have to include your title when you ask to be added to the mailing list. The Publications Unit also issues "Report," a free bimonthly paper highlighting recent findings of Bank activities. Write the Editor ("Report"), Room N-231, World Bank, 1818 H Street, N.W., Washington, DC 20433. •

—Martha Farnsworth Riche

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INTERNATIONAL DEMOGRAPHICS™

Vol. 1, No. 9 December 1982

Jon Crispin

Buying Media Worldwide

Television is the way to reach people in Latin America. Print media is best in Asia because television penetration is low in most countries. Magazines and radio are most important in Arab nations, and in some European countries, there is no point in advertising in July and August because everybody is on vacation.

These were among tips recently offered at a conference on worldwide media selection sponsored by *International Advertiser*.

Rosemarie Grieb, director of International Media for Foote, Cone, and Belding, Chicago, said there are many magazines and newspapers in Latin America, but most have small circulations, and few can be considered national media. Television on the other hand, reaches virtually everyone.

The importance of television is reflected in the amount of money spent to advertise on it. In Mexico and Columbia, more than 50 percent of business annual advertising expenditures are spent on television. It claims nearly 40 percent of advertising expenditures in Chile and Venezuela, and even in Brazil and Argentina, where people read more, at least a quarter of advertising expenditures go to television.

One reason, of course, is the relative youth of Latin Americans. Well over half the population is under age 30.

The problem with the emphasis on television advertising Grieb said, is that most Latin American governments require commercials to be made within their own country. She said commercials made elsewhere sometimes can be aired in Mexico, Chile, or Colombia, but Brazil and Venezuela are very restrictive on what they will allow.

Even if a country will allow an outside commercial to be shown, it may not be effective, Grieb said, because of differences in the way language and images are used.

Publication circulation figures are not always accurate in Arab countries. One way to double check circulation figures is to know the printer and find out what a publication's print run is. That often will be a more realistic figure than the one quoted by the magazine or the newspaper's ad manager, according to Ray Faville, executive vice-president of Middle East Advertising and Marketing Corp.

One way to reach the upscale market of 15 to 24 year olds in France is to use cinema, according to Gloria Langham, executive vice-president of Michael Jarvis & Partners. Because there are stringent

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limits on the amount of television time that can be purchased in France, outdoor advertising takes on new importance there. Sophisticated posters often are seen at the point of purchase, Langham said.

Advertising is essential in Asia, but the target may not be consumers, said William J. Donlin, president of International Market Resources.

"It is very important in Asia to sell the company image, to be seen as a good corporate citizen," Donlin said. The corporate image is important to government officials who are most likely to be signing contracts with a company, Donlin said, because the government official wants to believe that the company he is doing business with is one that is known and respected by the general public.

IBM, for example, placed corporate advertising in Asia for three years before it introduced its products there.

"In Asia, it is important to show how your presence will benefit the country," Donlin said. •

Around the World

Living Cost Indexes Abroad

It is less expensive for Americans to live in Sao Paulo, Brazil, Beijing, China or New Delhi, India than in Washington, D.C. according to the July round of indexes of living costs abroad, released by the U.S. Department of State.

The index cited above does not include housing and education costs.

Cities that cost about 50 percent more than Washington, D.C. to live in include Moscow, Caracas, Stockholm, Tokyo and Paris. Lagos, Nigeria was the most expensive city, listed at 169 percent of the cost of living in Washington.

The indexes of living costs abroad and housing allowances for selected foreign cities are published quarterly by the Bureau of Labor Statistics. The new subscription series includes living costs for more than 160 cities and housing allowances for about 75 cities.

U.S. Department of State "Indexes of Living Costs Abroad, Quarters Allowances and Hardship Differentials," is available from Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. $6.50/year. Quarterly. Single copies $1.75.

Canadian Income

Nearly one-third of all Canadian families had incomes of more than $35,000 (Canadian dollars) in 1981, according to preliminary estimates by Statistics Canada.

Average family income rose by 8 percent to $29,923 in 1981, but when inflation is taken into account, there was a drop in real income of about 3.5 percent.

Average family income was highest in Alberta at $34,132, the first year that Alberta has led in family income. The top spot usually belongs to Ontario or British Columbia. The lowest average family income was in Prince Edward Island at $22,409.

The income data were taken from the Survey of Consumer Finances.

For further information, order *Income Distribution by Size in Canada, Preliminary Estimates, 1981* (13-206) or contact the Data Dissemination Unit, Consumer Income and Expenditure Division, Statistics Canada, Ottawa K1A OT6, Canada. Telephone (613) 996-5294. The publication costs $4.50 in Canada, and $5.40 elsewhere.

Spanish Labeling is Essential

Students from the United States recently learned firsthand some of the pitfalls faced by exporters during a field study in the Dominican Republic.

In a program under the auspices of the University of Pittsburgh and the International Trade Administration, the field researchers visited more than 50 different establishments selling items as diverse as hardware and canned goods. They interviewed clerks and managers and took inventories of the types of U.S. goods sold, including the manufacturer, price, and whether the product faced domestic or foreign competition.

One important finding was that some U.S. articles were mis-labeled or mis-shelved because their labels did not include Spanish instructions. Competitors from other countries such as Brazil, Spain, Italy and Taiwan labeled their products in the customer's language, the students found.

Dr. Rafael Fermoselle, counselor with the ITA's foreign commercial service in Santo Domingo said the project "can be invaluable in preparing a new generation of well qualified, experienced, aggressive, and effective international marketing experts."

Source: *Business America*, Sept. 20, 1982. Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. $55/year. •

Corrections

On page one of the October issue, International Demographics stated that 2.1 births per woman in the U.S.S.R. is less than replacement level. Actually 2.1 births per woman is replacement level, but the total fertility rate for women in the Russian Republic (where most ethnic Russians live) is *below* that rate, and has been since the mid-1960s.

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The West German census will be held in 1983, not 1981 as was previously reported.

INTERNATIONAL DEMOGRAPHICS

Publisher: Peter Francese
Executive Editor: Bryant Robey
Editor: Doris Walsh
Research Director: Cheryl Russell
Art Director: Carol Terrizzi

International Demographics (ISSN 0731-5414) is published monthly by American Demographics, Inc., P.O. Box 68, Ithaca, N.Y. 14850. Telephone (607)273-6343.© 1982 by American Demographics, Inc. All rights reserved.Subscription rate: $148 a year.

Demographic Factors in Foreign Investment Analysis

People make markets. Any market — gold, stocks, commodities — is the sum of numerous individuals and their perceptions of future prices.

In another sense, a market is people, as any manufacturer knows. Before entering a new market, or selling a new product, the manufacturer studies the market, that is, the people in the market — the numbers, distribution and movement of people. This information affects the manufacturer's ability to sell, which products to sell, and where to sell.

No businessperson would move into a domestic or foreign market without studying such data. The private investor needs to consider demographic factors too because demographics affect every investment to a greater or lesser extent, particularly on a long-term basis. The urbanization of Latin America, reducing coffee land, will be bullish on the price of coffee on the Chicago Commodity Exchange, for example. (Other factors, of course, will be bearish at any particular time, so each factor must be weighed separately and collectively, along with short-term factors which may affect the price.) Any investment in a foreign country will be subject to demographic factors.

Timing

Perhaps the most critical factor for the successful investor is timing. No market goes up or down forever, and the successful investor is the one able to catch the moves, not necessarily the precise tops and bottoms of short-term cycles, but the broad long-term movement of different investments. From this point of view, demographics are certainly a most important factor.

Investors often bemoan the fact that they missed out on IBM in 1954, and tremendous two-decade-long booms in fast foods or computers. "It's too late now," they say.

But it's never "too late" for investment opportunities, only "too late" for the opportunity that is passed. Looking back on the 1980s and 1990s, investors of the future will see equally great opportunities that they missed.

Just as there surely will be new booming fields in the United States in the coming decade or two, so too will many of the products and services we in the U.S. now take for granted catch on in other parts of the world.

In many ways, the 1980s and 1990s in the more rapidly developing countries will be a replay of the 1950s and 1960s in the United States.

The U.S. may be awash with fast food restaurants, and certainly, in all but a few cases, the gilt may be off investments in these fields — but only in the U.S. In many parts of Latin America, for example — the fastest growing area of the world in the last decade — they are just becoming popular. A growing teenage population, more working women, more "yanqui" tourists looking for the familiar, all add up to a coming boom in fast food restaurants across Latin America.

The businessman can take advantage of this by franchising his operation in these countries, or by buying a franchise for such a country, but the passive investor can also participate by investing in local concerns which will operate and supply these establishments.

Demographics, as well as the stage of development, are the key. In much of the rapidly developing areas of the world, such as Latin America and parts of the Far East, the demographic trends mirror those of the U.S. during the 1950s and 1960s. They are opposite of the current U.S. trends.

The key factors are a rapidly growing population, particularly a youthful population, but a decline in births; growing urbanization, a growing middle class, a consumer-oriented population, and the increasing economic importance of women. This last factor is the only one that parallels what is happening in the U.S. today. In parts of the developing world the pace of change simply is much slower.

The passive investor must examine these factors in a particular country before making an investment, since they are distinctly different among countries, even in the same region. Yet the overall trends are visible and they signify booms in many products and services. For example, jeans and "smart" casual clothes (already a mature market in many developing countries), the amusement industry, telephone services, mass transport, and consumer goods and appliances all have potential in the developing world.

Take just one of the numerous products which will benefit from the shifting trends in population in the coming years: the telephone. There are almost equal numbers of telephones in New York City and Mexico, yet Mexico has eight times as many people. There is vast potential in some regions for more telephones, and with growing industrialization and growing middle classes, that potential should be fulfilled in the coming years, just as it has been in recent years in South Korea as the same demographic trends developed.

In different countries and at different times, goods may be imported or locally manufactured. The passive investor can take advantage of the growth areas by investing in manufacturers, importers and distributors, and service operations.

Will A Boom Develop?

Demographics are only one of the many factors that will affect the economics of various countries in the coming years. In some cases, other factors may prevent predictable booms from taking off. Declin-

continued on p. 10

Country Profile

Republic of Turkey

America's most recent export to Turkey is former astronaut James Irwin, who led a U.S. expedition in search of Noah's Ark atop Mount Ararat last summer.

Aside from astronauts, the United States sends Turkey industrial machinery, transportation equipment, iron and steel scrap, and coal. The U.S. ranked behind Iraq, Iran, the Federal Republic of Germany, and Libya in dollar value of imports. U.S. exports accounted for 6.6 percent of the $8.9 billion Turkish import market in 1981.

Tourism, construction, and agricultural exports are expected to be growth areas in 1983 as the government continues to encourage exports.

Turkey's diverse trading partners reflect its strategic location and dual identity. It straddles both Europe and Asia. Its largest city, Istanbul, is separated from the rest of the country by the Bosporus River, the Sea of Marmara, and the Dardenelles (which together form the Turkish Straits), placing Istanbul in Europe and the rest of the country in Asia. The fourth longest bridge in the world connects the two. Since 97 percent of Turkey's 300,000 square miles is in Asia, its population statistics are sometimes included with those of Asian countries, but also are often found with European countries.

Turkey conducts a census every five years. Its last census was October 12, 1980. Preliminary results show the total population to be 44.7 million, an increase of 9 percent from the 40.8 million persons counted in 1975. The U.S. Bureau of the Census estimates that Turkey's population is 48 million this year and will be 67 million by the year 2000. The average annual rate of growth is currently 2.2 percent and is projected to decline to 1.6 percent by 1995.

The sea coasts are more densely settled than the interior. Areas around Istanbul on the Black and Marmara Seas and Izmir on the Aegean Sea have the highest population concentrations. Ankara, the inland capital established when Turkey became a republic in 1923, is a large city but has a more sparsely populated rural area than Istanbul.

Ethnicity and Religion

Turkey has existed in some form since the 12th century, when Islamic Seljuk Turks battled the Crusaders. After their demise in the 13th century, the Ottoman Turks created an empire that lasted until the republic was formed in the 20th century. Celts, Kurds, Greeks, Jews, and Armenians contribute to the present ethnic mix in Turkey. Turks are by far the largest ethnic group, forming

90 percent of the population. Three million Kurds make up the largest minority group (about 7 percent of the population), and they are mainly semi-nomadic sheep herders concentrated in the eastern provinces. Fewer than 100,000 Armenians remain in Turkey, and a small number of Greeks and Jews live in Istanbul.

Almost all (98 percent) Turks and Kurds are Muslim, mostly of the Sunni sect. The government is secular and recognizes no established religion. No legal discrimination is practised against the small number of non-Islamic minorities who are Christians and Jews.

Regions and Cities

Turkey has 67 provinces. The largest, Istanbul Province, had 4.9 million residents in 1980 (11 percent of the total population). Next in size were Ankara Province with 3.2 million, Izmir with 2.0 million, Konya with 1.6 million, Adana with 1.5 million, and Bursa Province with 1.2 million residents. Konya has one of the largest land areas, but is inland and thus not densely populated. The city of Konya once was home to the mystical Islamic brotherhood called the whirling dervishes. The government abolished such groups in 1925 in an attempt to reduce Muslim influence.

The fastest growing province between 1975 and 1980 was the relatively small Hakkari, which grew from 126,000 in 1975 to 178,000 in 1980, an average annual rate of 7.0 percent. Istanbul and its neighboring Kocaeli Province, Ankara, the province in which the capital city is located, and the province of Van, bordering Iran, all grew by at least 4.0 percent per year between 1975 and 1980. Provinces which lost population were the rural areas of Cankiri, Gumushane, Kars, and Tunceli.

Turkey's population is about half urban. According to U.S. Census Bureau projections, the urban population is 24 million, or 49 percent of the total. The urban population is growing at 4 percent per year. The rural population — also 24 million in 1982 — is growing at only 0.1 percent per year. So although rural Turks still have a slight numerical advantage over the urban population, their growth rate is so much lower that the balance is expected to shift to 51 percent urban by 1984. Projections are that Turkey will be 64 percent urban by the year 2000.

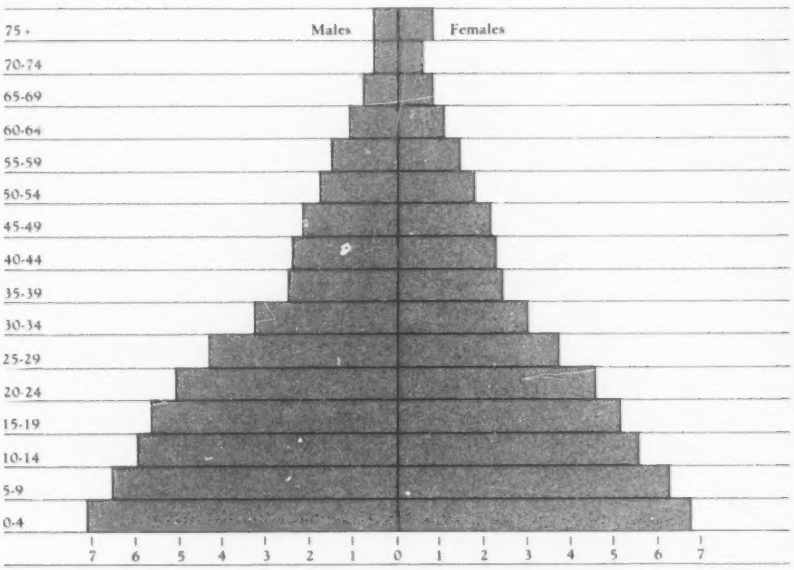
Cities in Turkey are called *sehir*. They are defined as the population within municipal boundaries of province and district centers. As few as 501 people can be called a city, although the common definition is a place with 20,000 or more population. In 1980 there were 638 cities in Turkey with a total population of 20 million. One in every five Turks lived in a city of 100,000 or more population. The five largest cities in 1980 were Istanbul with 2.8 million persons, Ankara with 2.2 million, Izmir with 754,000, Adana with 568,000, and Bursa with 466,000. The United Nations projects a population of 11 million for Istanbul by the year 2000.

The U.S. Census Bureau defines *sehir* as the urban population of Turkey and all else as the rural population. Although cities have many Western amenities, mountain villages still exhibit the pastoral and agrarian economies of a hundred

continued

Population of Turkey by Age and Sex, 1982

(in percent)



Age	Total	Male	Female
All ages	48,105,245	24,729,402	23,375,843
0 to 4 years	6,687,329	3,405,689	3,281,640
5 to 9 years	6,176,296	3,129,913	3,046,383
10 to 14 years	5,552,629	2,857,567	2,695,062
15 to 19 years	5,252,072	2,765,271	2,486,801
20 to 24 years	4,671,504	2,476,834	2,194,670
25 to 29 years	3,897,195	2,057,054	1,840,141
30 to 34 years	2,998,860	1,569,511	1,429,349
35 to 39 years	2,362,407	1,219,965	1,142,442
40 to 44 years	2,257,479	1,138,223	1,119,256
45 to 49 years	2,090,137	1,040,129	1,050,008
50 to 54 years	1,728,501	884,813	843,688
55 to 59 years	1,385,041	722,578	662,463
60 to 64 years	1,029,920	518,694	511,226
65 to 69 years	759,188	367,013	392,175
70 to 74 years	571,109	269,899	301,210
75 years and over	685,578	306,249	379,329